



## Wheaton-Warrenville District 200 eyes layoffs to cut budget \$7 million

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It's a math problem no one in Wheaton Warrenville Unit District 200 is looking forward to calculating.

District leaders in the coming weeks must determine how many jobs they'll need to cut to help trim up to \$7 million from next year's budget.

"When you make those kinds of budget cuts, it's going to affect people," said District 200 spokesman Robert Rammer, noting that nearly 80 percent of the district's budget is for salaries and benefits.

While some positions will be eliminated through attrition and "normal movement of staff," Rammer said there might be layoffs.

"Our hope and intent is certainly to address those reductions without impacting student instruction and programs," he said.

As school board members and administrators consider what positions to cut, some are suggesting that the dilemma could have been avoided if the district slowed the rate of salary growth for its teachers.

While the district lists several factors for why it faces a projected \$14 million deficit in the 2009-10 budget, district watchdog Mark Stern blames the school board's spending decisions. He claims the board raised teacher salaries faster than it can increase revenues.

"All school districts are going to be faced with the same issue," said Stern, who served on a committee that examined District 200's financial situation. "It's simply not going to be possible to keep raising salaries at the rate they've been doing."

Teachers got raises averaging 5 percent the past three years, according to the district. They are slated to get average increases of 4 percent this fall.

Stern said the problem is school districts are essentially operating on fixed incomes. "If you are living on a fixed income, you can't have obligations that exceed the rate of growth of that income," he said.

For District 200, roughly 80 percent of its revenue comes from property taxes. The rest comes from the state and federal governments.

Meanwhile, any increase to the district's levy - the portion of the district's budget paid for with property taxes - is limited by the state-imposed property tax cap to 5 percent or the Consumer Price Index, whichever is less.

District officials recently learned the levy that funds part of next year's budget will be capped at 0.1 percent, not including an allowance for property that has been added to the tax rolls, such as new homes and businesses.

So District 200 will get far less new property tax revenue, even though its teachers are slated to receive 4 percent raises this fall as part of a one-year contract extension.

School board President Andy Johnson said negotiators simply had no way of knowing the CPI would drop so dramatically.

"When we looked at that 4 percent average, that was fair and reasonable," Johnson said. "When it got finalized in December, things had changed markedly in the economy. But nonetheless, we negotiated in good faith. And those numbers still put us right in the middle of the pack as far as where our teachers' salaries need to be."

Officials say District 200's philosophy long has been to offer salaries that are competitive and attract good teachers.

"We are competing with districts around us who have passed (property tax) rate referendums, and their teachers are well paid," said Bill Farley, assistant superintendent of business operations. "They have the same desire to attract the very best. And we don't want to fall behind, because when you get into a catch-up (mode), things get even worse."

But with the district spending about \$250 million total on teacher salaries in the past three years, Stern said that contributed to the overall deficit.

"Now you are talking about cutting people out of the budget," Stern said. "Maybe if you only gave a 3 or 2 percent raise, you could keep all those positions and not have to lay people off."

For example, he said, capping raises at 3.7 percent for the next five years would save the district millions of dollars - \$8 million in 2014 alone.

"Ultimately, it's a political decision for the board," he said. "The board's got to have the political will to say, 'We are going to limit this to inflation over the next five years to allow our revenues to catch up with our costs.'"

District 200 board members say they hope to balance the budget within three years. Whether that results in smaller pay raises remains to be seen.

"I think it's very realistic in this economic climate," Johnson said. "It wasn't realistic in last year's climate."

Negotiations for the next teachers' contract won't start until the fall.

In the meantime, board members are expected to make a decision about cuts next month. That's so the district can have enough time to give employees notice about potential layoffs and get staffing ready for school next fall.

"A child in third grade this year moving into fourth grade next year should not be able to notice that there's been a reduction in finances in the district," Rammer said. "We're going to try to do that without impacting kids in the classroom."